

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL MEMORANDUM**

**HB 1699 – SB 1850**

March 31, 2011

**SUMMARY OF AMENDMENTS (005565, 005563, 005038):** Eliminates infrequent casual sales of non-potentially hazardous foods at farmers' markets from the definition of "selling" under the Tennessee Food, Drug, and Cosmetic Act. Defines "potentially hazardous food" and "non-potentially hazardous food" for the purposes of farmers' markets. Eliminates the licensing requirement for home-based kitchens. Requires home-based kitchens to prohibit pets, have hot and cold running water, prohibit hand washing in the kitchen sink, maintain refrigerator thermometers, and have a functioning sewer or septic system to carry away waste.

**FISCAL IMPACT OF ORIGINAL BILL:**

Decrease State Revenue - \$5,600

**FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENTS:**

**Unchanged from the original fiscal note.**

Assumptions applied to amendments:

- According to the Department of Agriculture, pursuant to Department Rule 0080-4-11-.04(1), home-based kitchen license fees are set in accordance with Tenn. Code Ann. § 53-1-208(b)(2).
- The Department currently licenses 150 home-based kitchens per year at a fee of \$50 per license. An estimated 75 percent of those license holders sell their products at farmers' markets.
- The estimated decrease in state revenue is \$5,625 (150 x \$50 x 75%).

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" written in a smaller, more compact script than the last name "White".

James W. White, Executive Director

/sbh